



The Retirement Investors' Club (RIC) 457/401a program is an employer-sponsored supplemental retirement savings benefit that provides an easy way for you to save a portion of current wages for future income needs. RIC contains two plans: a 457 plan to hold employee contributions and a 401a plan to hold employer match contributions and assets rolled in from other eligible retirement plans. RIC has no vesting requirements.

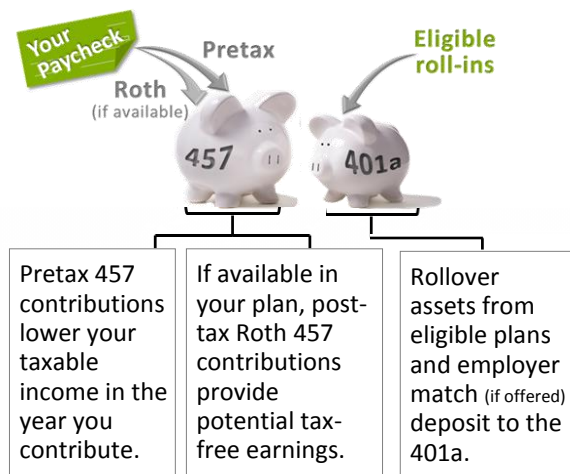
Your employer has customized features of your RIC plan regarding:

- **Choice of active RIC providers**
- **Eligibility requirements**
- **Post-tax Roth contributions**
- **Employer contributions**

Review your employer's specific plan details on the RIC website at https://das.iowa.gov/RIC/PSE/plan_details.

Here's how it works. Through payroll deductions, RIC participants elect to make pretax (and/or post-tax Roth if available in your plan) 457 contributions. Contributions may be as little as \$25/month. The total of all 457 contributions may not exceed the IRS annual maximum contribution limits shown here.

The 401a account accepts eligible pretax roll-in assets from outside retirement savings plans (and employer contributions if available in your plan).



2015 IRS 457 Maximum Contribution Limits

Regular 100% of compensation up to:	Age 50+ Participants age 50+	3-Year Catch-Up (Must qualify) Regular limit + missed contributions up to:
\$ 18,000	\$ 24,000	\$ 36,000

Compensation = gross salary minus your retirement, FICA, and other required deductions. The Age 50+ & 3-Year Catch-Up limits cannot be used at the same time.

Tax Advantages- Tax benefits differ based on the tax treatment of contributions going into RIC and tax credit eligibility. Contact a tax professional if you have questions about how these tax benefits may affect your specific needs.

- 1) **Pretax** contributions are deducted from your wages before state and federal income tax withholding. This gives you the immediate tax benefit of a lower taxable income for the year. Investment earnings grow tax-deferred.
- 2) **Post-tax Roth** contributions (if available in your plan) are deducted from your wages after state and federal taxes are withheld. There is no immediate tax benefit. Investment earnings are tax-free if distribution is qualified*.
- 3) **The Savers' Tax Credit** of up to \$1,000 may be available if you qualify.

Investment Selection- Whether your investment objective is safety, income, or growth, RIC providers offer multiple diversified investment options to meet your investment style. Changes to investments (and providers if available in your plan) are penalty and restriction-free. For more information, see <https://das.iowa.gov/RIC/PSE/providers>.

Enrollment (always open)- Call an RIC provider to request a meeting or enrollment kit (includes forms and investment information) to open your accounts and begin payroll deductions. Don't struggle through the enrollment process alone; ask a provider to help you! View sample questions to ask a provider on RIC's website. Check which provider(s) is available in your employer's plan at <https://das.iowa.gov/RIC/PSE/employers>.

Horace Mann	MassMutual	TIAA-CREF	VALIC	Voya (formerly ING)
877-602-1861	800-528-9009	888-877-1446	800-945-6763	800-555-1970

* Roth qualified distributions are tax-free if a distributable event has occurred, account is held 5+ years; and participant is age 59½ or older, disabled, or deceased.

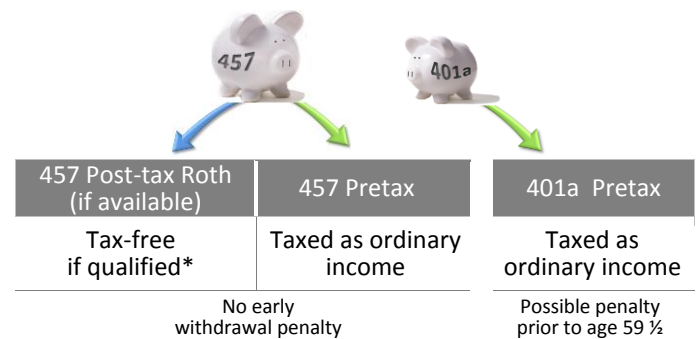
Distributions- A “distributable event” (shown below) must occur to be eligible for a distribution.

Event	Description	Requirements
IPERS credit purchase	Non-taxable transfer of pretax (non-Roth) assets to purchase eligible IPERS credits (Employer contributions if any, are available after severance from employment.)	Contact IPERS at 800-622-3849 or Info@ipers.org to determine eligibility and cost to purchase.
Unforeseeable emergency withdrawal	In-service distributions of 457 assets due to an approved financial hardship, such as home foreclosure or uninsured medical bills	Completion of an application and proof that the hardship meets strict federal guidelines is required. Contributions must stop for 6 months after an approved withdrawal.
Cash out	In-service distribution of inactive small balance 457 accounts	Requires there have been no contributions in the previous 24 months and total 457 assets = \$5,000 or less.
Age 70 ½+	In-service distributions of 457/401a assets are available but not required.	Contact RIC to request this type of distribution.
Severance from employment	No distribution is required unless age 70½+. 457/401a assets are available for distribution in a wide variety of payment options	Contact your RIC provider to request this type of distribution.

Tax Treatment of Distributions- Taxation of distributions differs based on the tax-treatment of contributions (illustrated to the right). All 401a assets are pretax.

Distribution Requests- Once separated from employment, you may remain invested and/or request distributions directly from your RIC provider. Employer approval is not required.

RIC provider products have no distribution penalties or restrictions.



Roll-ins- You may roll previous government employer 457 plan assets into your RIC 457 account at any time. You may roll outside eligible plan assets (such as a traditional/rollover IRA, 401k, 403b, 401a etc.) into your RIC 401(a) account. Assets rolled into RIC may be rolled out at any time without a distributable event. To roll assets into RIC, contact your RIC provider.

Want more information? For additional program information, visit <https://das.iowa.gov/RIC>. If you have questions, please call the provider directly or give RIC a call.

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